



Business Strategy

2018 - 2023





1. Our Purpose

Cadwyn provides good quality homes and builds communities through partnership and innovation.

2. Our Values





3. Our Business Strategy

The existing business strategy is based on the following premises:

- Securing our rental income
- Helping tenants maximise their income
- Achieving value for money
- Generating more revenue income
- Keeping staff on board
- Satisfying the Regulator

This means:

Securing our rental income:

- Identifying tenants who are most financially at risk, supporting them during the introduction of UC, ensuring that we have all the right systems in place and making provision for the inevitable increase in rent arrears until the system beds down.
- Making sure that the Council continue to support our TA scheme to ensure that the costs are covered by income.
- Preparing tenants for the change and increasing awareness of the importance of rent payment.

Helping tenants maximise their money:

- Working with tenants to ensure that they are receiving the benefits that they are entitled to.
- Enabling those tenants who can move into or closer to employment with training and volunteering placements.
- Through advice and sign posting, helping tenants reduce costs in other areas. Tenants have identified that reducing fuel costs are the highest priority for them.
- Keeping our rents as low as we can consistent with service needs and increasing the supply of new homes.





Achieving Value for Money:

- Our VFM strategy continues to be a key feature of our work. Most recent achievements have been the reduction in cost of average interest rates from 4.5% to 3.9% over the last two financial years and the strides made in procurement practice.
- It has become increasingly difficult to compare costs with other RSL's. The changes to IFRS accounting rules in recent years mean that the baselines for comparison are no longer consistent. Welsh Government has started to use data extracted from Global Accounts as VFM indicators, but the first set need refining before they will be useful.
- We are forecast to reach our target for 17/18, but only with the inclusion of surpluses made by selling two properties. Higher than forecast maintenance costs, a slow start for Four Walls due to software issues and a reduction in TA properties have all contributed.
- This year our focus will be on cleaning the titles on unencumbered stock to enable a refinancing exercise to reduce the cost of finance further.

Generating more revenue income:

- Increasing the number of professional units, and achieving the sales targets set for Four Walls.
- Building on the Mill contract and seeking further large scale opportunities for private sector management.
- Providing an agency service to Cardiff Council for development, specifically Courtenay Road. (If approved, adding the Walters Building, Clarence Road.
- Starting on site with the market homes on the Wharf, using the Group Structure to improve tax planning.
- Agreeing two retail leases on the Wharf as part of the first phase of development.

Keeping staff on board

An independent staff survey was carried out and analysed in 2017, and provided useful feedback to improve staff engagement.

75% of those who completed the survey said that they would recommend Cadwyn to friends as a good place to work. The two elements of feedback that we want to tackle this year are improving the level of understanding about diversification and how it fits in with our core purpose. The other is how management development models that we have been using fit with each other and can benefit staff satisfaction.

